

COUNCIL AGENDA: 10-26-04

ITEM: 2.3

Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Katy Allen

SUBJECT: SEE BELOW

DATE: 10-04-04

Approved

Date

10/15/04

Council District: 3

SNI: 13th Street & University

**SUBJECT: 4TH, 5TH, 6TH, AND 7TH STREETS CITY FACILITIES SERVICE
CONVERSIONS PROJECT**

RECOMMENDATION

- a. Report on bids and approval to reject all bids for the 4th, 5th, 6th, and 7th Streets City Facilities Service Conversions Project opened on August 26, 2004.
- b. Report on bids and award of contract for the 4th, 5th, 6th, and 7th Streets City Facilities Service Conversions to the low bidder, Beltramo Electric, Inc., in the amount of \$174,950, and approval of a contingency in the amount of \$18,000.

CEQA: EIR Resolution No. 68905, File No. PP02-03-061

BACKGROUND

On June 18, 2002, the City Council adopted Ordinance No. 25779 establishing the Fourth/ Fifth/ Sixth Street Phase II Underground Utility District to remove aerial utilities within the District. The District is on Fourth Street, Fifth Street and Sixth Street from Saint John Street to Santa Clara Street, Seventh Street from Saint John Street to San Fernando Street, Santa Clara Street and San Fernando Street from Sixth Street to Seventh Street, and Saint John Street from Third Street to Seventh Street (map attached). SBC, PG&E and Comcast are scheduled to begin installation of substructure for the Underground Utility District in October 2004. A separate City construction contract is required to complete the conversion of traffic signals and street lights to accept the new underground system.

This project will install conduit, conductors and pull boxes, remove and replace existing street lights, retrofit existing street light services, and remove and replace asphalt, concrete and landscape areas.

The Underground Utility District and this project are being constructed in coordination with the San José Redevelopment Agency's (SJRA) Civic Plaza Streetscape project. Construction is scheduled to begin in November 2004 with completion in January 2005.

ANALYSIS

Bids for this project were originally opened August 26, 2004 with the following results:

<u>Contractor</u>	<u>Total Bid</u>	<u>Variance Amount</u>	<u>Over/(Under) Percent</u>
San José Signal Electric (San José)	\$246,578.00	\$78,578.00	47
St. Francis Electric (San Leandro)	244,749.00	76,749.00	46
Pacific Electric Company (San José)	194,707.00	26,707.00	16
Beltramo Electric, Inc. (San Martin)	175,107.00	7,107.00	4
Engineer's Estimate	\$168,000	--	--

A single addendum was issued for this project on August 20, 2004, providing additional utility information for the project. Staff has determined the addendum was not received by all bidders within the same timeframe and there was a discrepancy in the posting of the addendum between the City Bid Line and the Peninsula Digital Imaging website; therefore staff recommends the rejection of all bids.

In the interim, staff re-evaluated the Engineer's Estimate based upon the information provided in Addendum No. 1 and increased the Engineer's Estimate. Addendum No. 1 was also added as an attachment to the project plans and specifications, which was then re-advertised for an abbreviated advertisement period as provided for in the San José Municipal Code Section 14.04.180, "Notice to Bidders."

The re-advertised bids were opened September 30, 2004 with the following results

<u>Contractor</u>	<u>Total Bid</u>	<u>Variance Amount</u>	<u>Over/(Under) Percent</u>
San José Signal Electric (San José)	\$199,539.00	\$14,539.00	8
Engineer's Estimate	\$185,000		

St. Francis Electric (San Leandro)	\$182,306.50	(\$2,693.50)	(2)
Beltramo Electric, Inc (San Martin)	\$174,950.00	(\$10,050.00)	(5)

The low bid submitted by Beltramo Electric, Inc. is five percent below the Engineer's Estimate. Staff considers this to be a reasonable price for the work performed. Council Policy provides for a contingency of ten percent on Public Works utility projects. The standard contingency is appropriate for this project.

PUBLIC OUTREACH

All property owners and occupants adjacent to the project and utility companies were notified of the June 18, 2002 Public Hearing in the City Council Chambers. All property owners received a Notice of Establishment that further outlined the project schedule and property owner responsibilities. Property owners will be notified again by the awarded contractor seven days prior to construction.

To solicit contractors, this project was listed on the City's Internet Bid Line and advertised in the *San José Post Record*. Bid packages for all Department of Public Works construction projects are provided to various contractor organizations and builder's exchanges.

COORDINATION

This project has been coordinated with the San José Redevelopment Agency, New City Hall staff, PG&E, SBC and Comcast. This memorandum has been coordinated with the City Attorney's Office, City Manager's Budget Office and the Department of Transportation.

COST IMPLICATIONS

1 AMOUNT OF RECOMMENDATION: \$174.950

HONORABLE MAYOR AND CITY COUNCIL

10-04-04

Subject: 4th, 5th, 6th, and 7th Streets City Facilities Service Conversions Project

Page 4

2. COST OF PROJECT

Project Delivery	\$ 33,000 *
Construction	174,950
Contingency	<u>18,000</u>
Total	\$225,950

* Project delivery costs of \$15,411.24 were expended in Fiscal Year 2003-04.

3. SOURCE OF FUNDING: 416 – Underground Utility Fund

4. FISCAL IMPACT: This project is consistent with the Council-approved Budget Strategy Economic Recovery section in that it will spur construction spending in our local economy and have little to no impact on the General Fund. The proposed operating and maintenance costs of this project have been reviewed and will have no significant impact on the General Fund operating budget.

BUDGET REFERENCE

Fund #	Appn #	Appn. Name	RC#	Total Appn.	Amount for Contract	2004-2005 Proposed Capital Budget Page	Last Budget Action (Date, Ord. No.)
416	4654	Underground Utility Program	130405	\$1,600,000	\$174,950	Page 111	N/A

CEQA

EIR Resolution No. 68905, File No. PP02-03-061

Katy Allen

KATY ALLEN

Director, Public Works Department

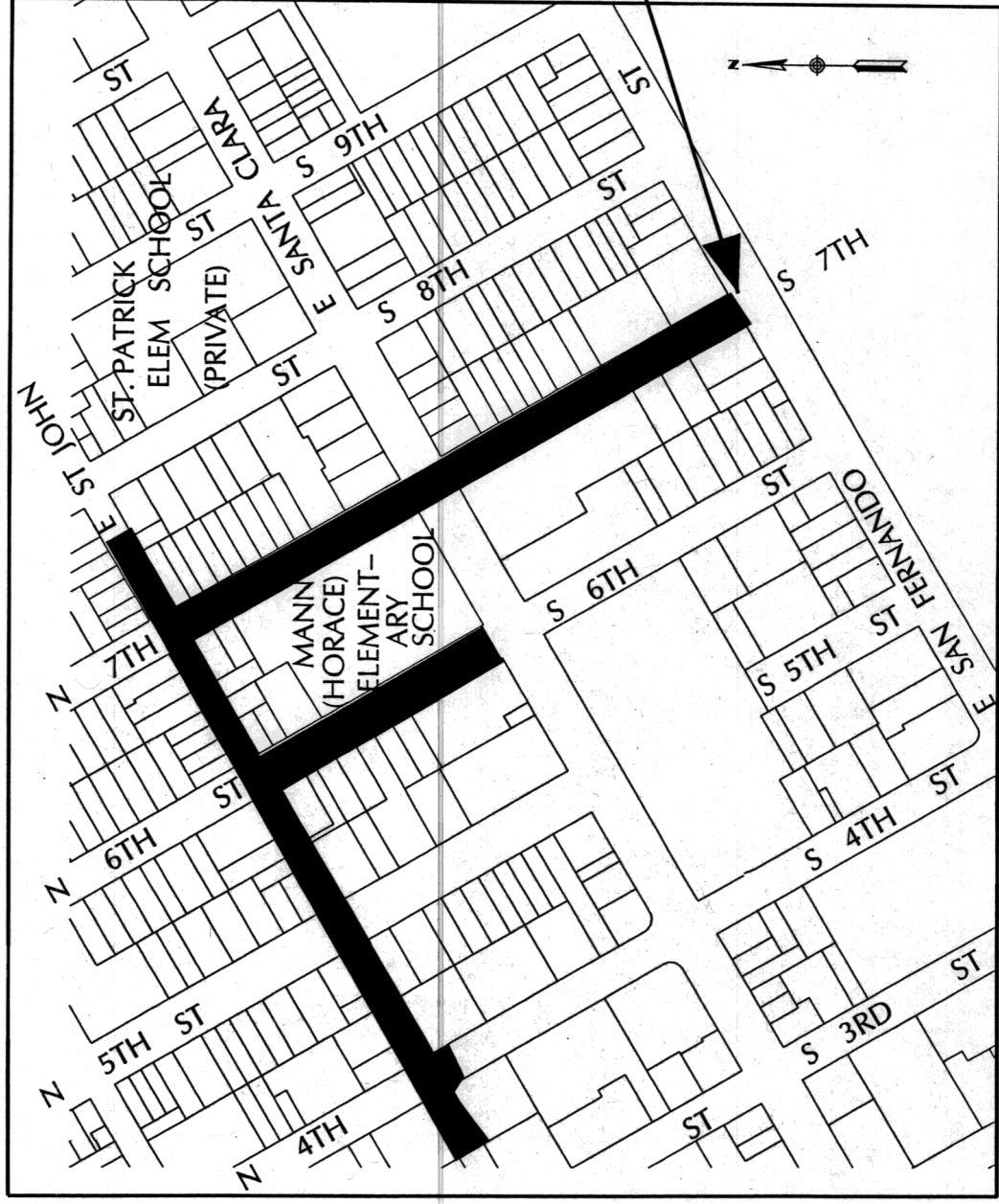
MO:CM:SK:LAR:dfc

(lr100404CM.4th, 5th, 6th, and 7th Supplemental Memo.doc/UTL)

Attachment

4TH, 5TH, 6TH AND 7TH STREETS

CITY FACILITIES SERVICE CONVERSIONS



LOCATION MAPS
NOT TO SCALE